

## **Supplementary Information**

**SONOMA COUNTY SANITATION DISTRICTS**  
**ENTERPRISE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2000**

| <b>ASSETS</b>                                    | <u>Forestville</u>  | <u>Occidental</u>   | <u>Russian River</u> | <u>Sonoma Valley</u> | <u>South Park</u>   | <u>Eliminations</u> | <u>Total</u>          |
|--|---------------------|---------------------|----------------------|----------------------|---------------------|---------------------|-----------------------|
| Current assets:                                  |                     |                     |                      |                      |                     |                     |                       |
| Cash and investments                             | \$ 491,966          | \$ 240,787          | \$ 709,445           | \$ 8,614,362         | \$ 3,578,052        | \$                  | \$ 13,634,612         |
| Receivables:                                     |                     |                     |                      |                      |                     |                     |                       |
| Accounts   | 181                 |                     |                      | 52,084               | 100                 |                     | 52,365                |
| Interest and other                               | 6,516               | 2,128               | 288,364              | 451,310              | 99,259              |                     | 847,577               |
| Note receivable - interfund                      |                     |                     |                      |                      | 4,331               | (4,331)             | 0                     |
| Total current assets                             | <u>498,663</u>      | <u>242,915</u>      | <u>997,809</u>       | <u>9,117,756</u>     | <u>3,681,742</u>    | <u>(4,331)</u>      | <u>14,534,554</u>     |
| Restricted cash and investments:                 |                     |                     |                      |                      |                     |                     |                       |
| Customer deposits                                |                     |                     |                      | 943,943              |                     |                     | 943,943               |
| Cash - general obligation bond fund              |                     | 6,152               | 302,437              | 7,133                |                     |                     | 315,722               |
| Cash - revenue bond fund                         |                     |                     | 231,697              | 116,027              |                     |                     | 347,724               |
| Cash - revenue bond reserve fund                 |                     |                     | 121,250              |                      |                     |                     | 121,250               |
| Cash with fiscal agent                           | <u>135,002</u>      |                     |                      | <u>12,585,161</u>    |                     |                     | <u>12,720,163</u>     |
| Total restricted assets                          | <u>135,002</u>      | <u>6,152</u>        | <u>655,384</u>       | <u>13,652,264</u>    | <u>0</u>            | <u>0</u>            | <u>14,448,802</u>     |
| Other assets:                                    |                     |                     |                      |                      |                     |                     |                       |
| Notes receivable - interfund, non-current        |                     |                     |                      |                      | 19,520              | (19,520)            | 0                     |
| Debt issuance costs                              | <u>32,780</u>       |                     |                      | <u>338,649</u>       |                     |                     | <u>371,429</u>        |
| Total other assets                               | <u>32,780</u>       | <u>0</u>            | <u>0</u>             | <u>338,649</u>       | <u>19,520</u>       | <u>(19,520)</u>     | <u>371,429</u>        |
| Fixed assets:                                    |                     |                     |                      |                      |                     |                     |                       |
| Land and land rights                             | 356,384             |                     | 223,833              | 3,065,617            |                     |                     | 3,645,834             |
| Buildings and improvements                       | 1,977,466           | 853,407             | 36,509,795           | 47,835,737           | 4,133,759           |                     | 91,310,164            |
| Machinery and equipment                          |                     |                     |                      | 224,622              |                     |                     | 224,622               |
| Accumulated depreciation                         | (517,992)           | (416,212)           | (11,057,683)         | (16,424,223)         | (2,143,529)         |                     | (30,559,639)          |
| Construction in progress                         | <u>257,625</u>      | <u>356,743</u>      | <u>1,444,788</u>     | <u>10,281,344</u>    | <u>493,061</u>      |                     | <u>12,833,561</u>     |
| Fixed assets, net of<br>accumulated depreciation | <u>2,073,483</u>    | <u>793,938</u>      | <u>27,120,733</u>    | <u>44,983,097</u>    | <u>2,483,291</u>    | <u>0</u>            | <u>77,454,542</u>     |
| Total assets                                     | <u>\$ 2,739,928</u> | <u>\$ 1,043,005</u> | <u>\$ 28,773,926</u> | <u>\$ 68,091,766</u> | <u>\$ 6,184,553</u> | <u>\$ (23,851)</u>  | <u>\$ 106,809,327</u> |

The notes to the financial statements are an integral part of this statement.

**SONOMA COUNTY SANITATION DISTRICTS**  
**ENTERPRISE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2000**

| <b>LIABILITIES AND EQUITY</b>                            | <u>Forestville</u>  | <u>Occidental</u>   | <u>Russian River</u> | <u>Sonoma Valley</u> | <u>South Park</u>   | <u>Eliminations</u> | <u>Total</u>          |
|--|---------------------|---------------------|----------------------|----------------------|---------------------|---------------------|-----------------------|
| Current liabilities:                                     |                     |                     |                      |                      |                     |                     |                       |
| Accounts payable and accrued expenses                    | \$ 11,046           | \$ 6,451            | \$ 27,625            | \$ 1,995,854         | \$ 194,865          | \$                  | \$ 2,235,841          |
| Interest payable   | 28,245              |                     |                      |                      |                     |                     | 28,245                |
| Due to other governments                                 |                     | 20,000              | 66,000               | 33,457               | 100,000             |                     | 219,457               |
| Capital leases payable                                   | 48,301              |                     |                      |                      |                     |                     | 48,301                |
| Notes payable - interfund                                |                     | 4,331               |                      |                      |                     | (4,331)             | 0                     |
| Total current liabilities                                | <u>87,592</u>       | <u>30,782</u>       | <u>93,625</u>        | <u>2,029,311</u>     | <u>294,865</u>      | <u>(4,331)</u>      | <u>2,531,844</u>      |
| Current liabilities payable from restricted assets:      |                     |                     |                      |                      |                     |                     |                       |
| Customer deposits  |                     |                     |                      | 943,943              |                     |                     | 943,943               |
| Interest payable   |                     |                     | 18,562               | 423,350              |                     |                     | 441,912               |
| General obligation bonds payable                         |                     | 1,000               |                      |                      |                     |                     | 1,000                 |
| Revenue bonds payable                                    |                     |                     | 45,000               | 500,000              |                     |                     | 545,000               |
| Total current liabilities payable from restricted assets | <u>0</u>            | <u>1,000</u>        | <u>63,562</u>        | <u>1,867,293</u>     | <u>0</u>            | <u>0</u>            | <u>1,931,855</u>      |
| Long-term liabilities:                                   |                     |                     |                      |                      |                     |                     |                       |
| Advances from other governments                          | 363,000             | 290,000             | 482,153              | 575,304              | 400,000             |                     | 2,110,457             |
| General obligation bonds payable                         |                     | 8,000               | 2,005,000            | 189,000              |                     |                     | 2,202,000             |
| Revenue bonds payable                                    |                     |                     | 1,440,000            | 20,023,263           |                     |                     | 21,463,263            |
| Capital leases payable                                   | 1,255,299           |                     |                      |                      |                     |                     | 1,255,299             |
| Interest payable   | 19,374              | 4,658               |                      |                      |                     |                     | 24,032                |
| Notes payable - interfund                                |                     | 19,520              |                      |                      |                     | (19,520)            | 0                     |
| Total long-term liabilities                              | <u>1,637,673</u>    | <u>322,178</u>      | <u>3,927,153</u>     | <u>20,787,567</u>    | <u>400,000</u>      | <u>(19,520)</u>     | <u>27,055,051</u>     |
| Total liabilities  | <u>1,725,265</u>    | <u>353,960</u>      | <u>4,084,340</u>     | <u>24,684,171</u>    | <u>694,865</u>      | <u>(23,851)</u>     | <u>31,518,750</u>     |
| Equity:  |                     |                     |                      |                      |                     |                     |                       |
| Contributed capital                                      | 602,100             | 762,038             | 30,283,140           | 22,835,662           | 2,328,134           |                     | 56,811,074            |
| Retained earnings:                                       |                     |                     |                      |                      |                     |                     |                       |
| Reserved for debt service                                | 135,002             |                     | 121,250              |                      |                     |                     | 256,252               |
| Unreserved   | 277,561             | (72,993)            | (5,714,804)          | 20,571,933           | 3,161,554           |                     | 18,223,251            |
| Total retained earnings (deficit)                        | <u>412,563</u>      | <u>(72,993)</u>     | <u>(5,593,554)</u>   | <u>20,571,933</u>    | <u>3,161,554</u>    | <u>0</u>            | <u>18,479,503</u>     |
| Total equity   | <u>1,014,663</u>    | <u>689,045</u>      | <u>24,689,586</u>    | <u>43,407,595</u>    | <u>5,489,688</u>    | <u>0</u>            | <u>75,290,577</u>     |
| Total liabilities and equity                             | <u>\$ 2,739,928</u> | <u>\$ 1,043,005</u> | <u>\$ 28,773,926</u> | <u>\$ 68,091,766</u> | <u>\$ 6,184,553</u> | <u>\$ (23,851)</u>  | <u>\$ 106,809,327</u> |

The notes to the financial statements are an integral part of this statement

**SONOMA COUNTY SANITATION DISTRICTS**  
**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**  
**FOR THE YEAR ENDED JUNE 30, 2000**

|  | <u>Forestville</u> | <u>Occidental</u>  | <u>Russian River</u>  | <u>Sonoma Valley</u> | <u>South Park</u>   | <u>Total</u>         |
|--|--------------------|--------------------|-----------------------|----------------------|---------------------|----------------------|
| Operating revenues:                                |                    |                    |                       |                      |                     |                      |
| Flat charges                                       | \$ 229,279         | \$ 177,584         | \$ 1,954,827          | \$ 4,944,443         | \$ 1,732,573        | \$ 9,038,706         |
| Charges for services                               | 75,061             | 21,053             | 20,340                | 646,212              | 21,958              | 784,624              |
| Other  |                    |                    |                       | 260                  | 45,892              | 46,152               |
| Total operating revenues                           | <u>304,340</u>     | <u>198,637</u>     | <u>1,975,167</u>      | <u>5,590,915</u>     | <u>1,800,423</u>    | <u>9,869,482</u>     |
| Operating expenses:                                |                    |                    |                       |                      |                     |                      |
| Services and supplies                              | 189,755            | 270,671            | 1,290,835             | 4,495,601            | 1,213,705           | 7,460,567            |
| Environmental investigation                        |                    |                    |                       |                      | 738,126             | 738,126              |
| Depreciation                                       | <u>72,393</u>      | <u>22,835</u>      | <u>732,028</u>        | <u>1,314,496</u>     | <u>82,315</u>       | <u>2,224,067</u>     |
| Total operating expenses                           | <u>262,148</u>     | <u>293,506</u>     | <u>2,022,863</u>      | <u>5,810,097</u>     | <u>2,034,146</u>    | <u>10,422,760</u>    |
| Operating income (loss)                            | <u>42,192</u>      | <u>(94,869)</u>    | <u>(47,696)</u>       | <u>(219,182)</u>     | <u>(233,723)</u>    | <u>(553,278)</u>     |
| Nonoperating revenues (expenses)                   |                    |                    |                       |                      |                     |                      |
| Interest revenue                                   | 32,522             | 7,376              | 123,701               | 1,226,541            | 153,056             | 1,543,196            |
| Taxes  |                    | 1,422              | 134,704               | 17,172               |                     | 153,298              |
| Intergovernmental                                  |                    |                    | 108,150               | 5,218                |                     | 113,368              |
| Interest expense                                   | (96,252)           | (4,658)            | (88,351)              | (727,787)            |                     | (917,048)            |
| Miscellaneous revenues (expenses)                  |                    |                    |                       | (6,456)              |                     | (6,456)              |
| Total nonoperating revenues (expenses)             | <u>(63,730)</u>    | <u>4,140</u>       | <u>278,204</u>        | <u>514,688</u>       | <u>153,056</u>      | <u>886,358</u>       |
| Net income (loss)                                  | (21,538)           | (90,729)           | 230,508               | 295,506              | (80,667)            | 333,080              |
| Add back: depreciation on contributed fixed assets | <u>25,381</u>      | <u>22,835</u>      | <u>732,028</u>        | <u>896,224</u>       | <u>64,345</u>       | <u>1,740,813</u>     |
| Increase (decrease) in retained earnings           | 3,843              | (67,894)           | 962,536               | 1,191,730            | (16,322)            | 2,073,893            |
| Retained earnings (deficit), beginning of the year | <u>408,720</u>     | <u>(5,099)</u>     | <u>(6,556,090)</u>    | <u>19,380,203</u>    | <u>3,177,876</u>    | <u>16,405,610</u>    |
| Retained earnings (deficit), end of year           | <u>\$ 412,563</u>  | <u>\$ (72,993)</u> | <u>\$ (5,593,554)</u> | <u>\$ 20,571,933</u> | <u>\$ 3,161,554</u> | <u>\$ 18,479,503</u> |

The notes to the financial statements are an integral part of this statement.

**SONOMA COUNTY SANITATION DISTRICTS  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2000**

|  | <u>Forestville</u> | <u>Occidental</u> | <u>Russian River</u> | <u>Sonoma Valley</u> | <u>South Park</u> | <u>Eliminations</u> | <u>Total</u>     |
|--|--------------------|-------------------|----------------------|----------------------|-------------------|---------------------|------------------|
| Cash flows from operating activities:  |                    |                   |                      |                      |                   |                     |                  |
| Operating income (loss)  | \$ 42,192          | \$ (94,869)       | \$ (47,696)          | \$ (219,182)         | \$ (233,723)      | \$                  | \$ (553,278)     |
| Adjustment to reconcile operating income (loss)<br>to net cash provided by operating activities: |                    |                   |                      |                      |                   |                     |                  |
| Depreciation expense   | 72,393             | 22,835            | 732,028              | 1,314,496            | 82,315            |                     | 2,224,067        |
| Changes in assets and liabilities:   |                    |                   |                      |                      |                   |                     |                  |
| Decrease (increase) in accounts<br>receivable  | 1,977              | 8,125             |                      | 189,546              | 648               |                     | 200,296          |
| Decrease (increase) in other<br>receivables  | 5,570              | (1,494)           | (8,103)              | (265,081)            | (6,874)           |                     | (275,982)        |
| Decrease (increase) in other assets  | 2,049              |                   |                      | 14,635               |                   |                     | 16,684           |
| Increase (decrease) in accounts<br>payable and accrued expenses                                  | (9,417)            | 2,140             | (34,022)             | (63,693)             | 153,154           |                     | 48,162           |
| Increase (decrease) in customer<br>deposits  |                    |                   |                      | 116,860              |                   |                     | 116,860          |
| Net cash provided (used) by operating<br>activities  | <u>114,764</u>     | <u>(63,263)</u>   | <u>642,207</u>       | <u>1,087,581</u>     | <u>(4,480)</u>    | <u>0</u>            | <u>1,776,809</u> |
| Cash flows from noncapital financing activities:   |                    |                   |                      |                      |                   |                     |                  |
| Taxes received   |                    | 1,422             | 134,704              | 17,172               |                   |                     | 153,298          |
| Principal payments - notes   |                    | (24,047)          |                      |                      |                   | 4,047               | (20,000)         |
| Principal received - notes   |                    |                   |                      |                      | 4,047             | (4,047)             | 0                |
| Intergovernmental revenue (expenses)   |                    |                   | 108,150              | 218                  |                   |                     | 108,368          |
| Net cash provided (used) by<br>noncapital financing activities                                   | <u>0</u>           | <u>(22,625)</u>   | <u>242,854</u>       | <u>17,390</u>        | <u>4,047</u>      | <u>0</u>            | <u>241,666</u>   |

The notes to the financial statements are an integral part of this statement.

SONOMA COUNTY SANITATION DISTRICTS  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2000  
(Continued)

|  | <u>Forestville</u> | <u>Occidental</u> | <u>Russian River</u> | <u>Sonoma Valley</u> | <u>South Park</u>   | <u>Eliminations</u> | <u>Total</u>         |
|--|--------------------|-------------------|----------------------|----------------------|---------------------|---------------------|----------------------|
| Cash flows from capital and related financing activities:            |                    |                   |                      |                      |                     |                     |                      |
| Acquisition of fixed assets  | (218,177)          | (217,838)         | (1,263,859)          | (6,734,376)          | (119,531)           |                     | (8,553,781)          |
| Payments to Environmental Protection Agency                          |                    |                   |                      | (32,578)             |                     |                     | (32,578)             |
| Principal payments - bonds   |                    | (1,000)           | (110,000)            | (508,000)            |                     |                     | (619,000)            |
| Principal payments - capital leases                                  | (45,308)           |                   |                      |                      |                     |                     | (45,308)             |
| Principal payments - advances from other governments                 |                    |                   | (66,000)             |                      |                     |                     | (66,000)             |
| Interest paid on debt  | (76,878)           |                   | (88,851)             | (720,286)            |                     |                     | (886,015)            |
| Advances from other governments                                      |                    | 250,000           |                      |                      | 500,000             |                     | 750,000              |
| Capital contributed by other governments                             | 2,000              | 78,000            |                      |                      |                     |                     | 80,000               |
| Capital contributed by developers                                    | 170,025            | 24,080            | 40,668               | 680,879              | 136,688             |                     | 1,052,340            |
| Sale of fixed assets   |                    |                   |                      | 240                  |                     |                     | 240                  |
| Net cash provided (used) by capital and related financing activities | <u>(168,338)</u>   | <u>133,242</u>    | <u>(1,488,042)</u>   | <u>(7,314,121)</u>   | <u>517,157</u>      | <u>0</u>            | <u>(8,320,102)</u>   |
| Cash flows from investing activities:                                |                    |                   |                      |                      |                     |                     |                      |
| Interest received on pooled cash and investments                     | <u>32,522</u>      | <u>7,376</u>      | <u>123,701</u>       | <u>1,226,541</u>     | <u>153,056</u>      | <u>0</u>            | <u>1,543,196</u>     |
| Net increase (decrease) in cash and cash equivalents                 | (21,052)           | 54,730            | (479,280)            | (4,982,609)          | 669,780             |                     | (4,758,431)          |
| Cash and cash equivalents, beginning of year                         | <u>648,020</u>     | <u>192,209</u>    | <u>1,844,109</u>     | <u>27,249,235</u>    | <u>2,908,272</u>    |                     | <u>32,841,845</u>    |
| Cash and cash equivalents, end of year                               | <u>\$ 626,968</u>  | <u>\$ 246,939</u> | <u>\$ 1,364,829</u>  | <u>\$ 22,266,626</u> | <u>\$ 3,578,052</u> | <u>\$ 0</u>         | <u>\$ 28,083,414</u> |
| Noncash Investing, Capital and Financing Activities:                 |                    |                   |                      |                      |                     |                     |                      |
| Acquisition of fixed assets on account                               | \$ 7,572           |                   | \$ 10,949            | \$ 1,787,439         |                     |                     | \$ 1,805,960         |
| Interest accrued on long-term debt                                   | 19,374             | 4,658             |                      |                      |                     |                     | 24,032               |

The notes to the financial statements are an integral part of this statement.